

Internal Revenue Service  
Regional Counsel

Department of the Treasury

Date:

JUL 08 1991

Key District:

Baltimore, MD

Year(s):

December 31, 1989 & subsequent

Person to Contact:

Contact Telephone Number:

Dear Sir/Madame:

We considered your appeal of the adverse action proposed by your key District Director. The paragraph(s) checked below indicate(s) our decision.

☒ Your exemption from Federal income tax under section 501(c)(10) of the Internal Revenue Code is:

☐ confirmed.

☐ modified. A new determination letter is enclosed.

☒ denied ~~xxxxxx~~ ☒ ~~xxxxxx~~ You are required to file Federal income tax returns on Form 1120 for the above years. You should file these returns with your key District Director, EP/EO Division, within 30 days from the date of this letter, unless a request for extension of time is granted.

☐ You are not a private foundation because you are described in Code section(s) \_\_\_\_\_.

☐ You are an operating foundation as described in code section 4942(j)(3).

☐ You have no liability for excise taxes under IRC \_\_\_\_\_ for the above years.

☐ Your liability for excise taxes under IRC \_\_\_\_\_ for the above year(s) was properly reported on your return(s).

☐ There is no change to your unrelated business income tax liability as reported for the above years.

☐ Your Form(s) 990-T for the above years are accepted as filed.

☐

You may direct questions about the decision to the appeals officer whose name and telephone number are shown above.

Sincerely yours,

cc: \_\_\_\_\_  
Mid-Atlantic Region Appeals Office  
600 Arch Street, Rm. 4454, Philadelphia, PA 19106

Associate Chief, Appeals

Letter 1370(RO) (1-80)

AUG 30 1990

Dear Sir or Madam,

We have considered your application for recognition of exemption from Federal income tax under section 501(c)(10) of the Internal Revenue Code.

The information submitted indicates that you were incorporated under the laws of the State of [REDACTED] on [REDACTED].

Your stated purpose as stated in your Articles of Incorporation are to serve dinners and engage in other charitable activities and purposes including distribution to exempt organizations. The organization does not contemplate pecuniary gain or profit, incidental or otherwise.

Income is primarily from serving meals to any organization or private group conducting affairs at the facility. Expenditures are for maintenance and care of the building owned by the [REDACTED].

Your activities consist of preparing food for the purpose of serving meals to organizations or private groups conducting affairs at the facility. This has been the sole activity and will continue to be the sole activity of the organization.

There are no membership requirements for your organization.

Section 501(c)(10) of the Internal Revenue Code provides for the exemption of fraternal organizations operating under the lodge system whose earnings are devoted to certain specified purposes (essentially charitable and fraternal) but which do not provide benefits to members.

Section 1.501(c)(10)-1 of the Regulations state that for taxable years beginning after December 31, 1969, an organization will qualify for exemption under section 501(c)(10) if it is a domestic fraternal beneficiary society, or order of association described in section 501(c)(10) and the regulation there under except that it does not provide for the payment of life, sick, accident, or other benefits to its members, and devotes its net earnings exclusively to religious, charitable, scientific, literary, educational, and fraternal purposes.

Code 501(c)(10)	Initiator	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer	Reviewer
Surname	[REDACTED]	[REDACTED]	[REDACTED]				
Date	7-25-90	7/25/90	8/30/90				

[REDACTED]

Revenue Ruling 73-192, C.B. page 224, held that organizations are considered to operate under the lodge system only when they have a parent and local organizations which are active. Mere provision in the constitution and by-laws for such bodies is not enough.

Based on the information submitted, it appears that you are not organized as a fraternal organization operating under a lodge system.

Your only activity is to provide and serve meals to any organization or private group who wishes to use your facility and to use the funds thereof for the maintenance and care of [REDACTED] [REDACTED] [REDACTED].

Therefore we have concluded that you are not an organization described in section 501(c)(10) of the Internal Revenue Code.

In accordance with this determination you are required to file Federal income tax returns on Form 1120.

If you do not accept our findings, we recommend that you request a conference with a member of our Regional office conference staff. Your request for a conference should include a written appeal giving the facts, law and any other information to support your position as explained in the enclosed Publication 892. You will then be contacted to arrange a date for a conference. The conference may be held at the Regional office, or if you request at any mutually convenient District office. If we do not hear from you within 30 days from the date of this letter, this determination will become final.

Sincerely yours,

[REDACTED]  
Acting District Director

Enclosures: Publication 892  
cc: FOA